

## EXTENSIONS OF REMARKS

## Communist Cold War Strategy

## EXTENSION OF REMARKS

OF

HON. THOMAS J. DODD

OF CONNECTICUT

IN THE SENATE OF THE UNITED STATES

Wednesday, January 11, 1961

Mr. DODD. Mr. President, last December I had the privilege of participating in the International Conference on Soviet Cold War Strategy at Paris.

There were some 450 or 500 delegates—almost 3 times as many as the sponsors had expected. Most of the delegates came from Europe, but the Conference also included a Philippine member of Parliament, two Vietnamese, two representatives of President Kasavubu, a representative of Prime Minister Tshombe of Katanga, and Prieto Laurens of Mexico.

The many distinguished Europeans who actively participated and gave the Conference their blessing included Paul Henri Spaak; Paul Von Zeeland; Maurice Schumann, head of the Foreign Affairs Committee of the Chamber; M. Michelet, Minister of Justice; former Premier Rene Pleven; Madame Patenotre, Vice President of the Chamber of Deputies; Emil Roche, President of the Economic Council; Arthur Conte and Maurice Faure, Members of the Chamber of Deputies and former Cabinet Ministers; Salvador de Madariaga; Richard Jaeger; Anthony Kershaw, M.P.; Lord Birdwood; also former Italian Cabinet Ministers; Randolfo Pacciardi, and Matteo Lombardo, President of the Italian Association of NATO.

There were approximately 12 British delegates, fairly tightly organized, and acting under the formal leadership of Lord Birdwood.

The American delegation showed a good deal of esprit de corps, although it had no formal organization. It included Senator Keating and myself; Eugene Lyons; Chris Emmet; Forrest Davis; David Martin; Ben Mandel; Mr. William Rusher, of National Review; Col. Ewell, of the Strausz-Huge group, and a few others.

I was asked to address the Conference on the question of Communist infiltration into free world governments and Communist manipulation of free world public opinion through propaganda.

I ask unanimous consent to have that address printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

REMARKS OF SENATOR THOMAS J. DODD, OF CONNECTICUT, AT THE CONFERENCE ON SOVIET COLD WAR STRATEGY, PARIS, FRANCE, DECEMBER 1, 1960

I am honored to participate in this First International Conference on Communist Cold War Strategy.

It is high time that the free world embarked on a systematic and continuing study of Communist cold war strategy. Over the past 15 years, the whole of Eastern

Europe, China, North Korea, North Vietnam, and Cuba have been lost to the Communists. On top of the sweeping victories it has scored in Europe, Asia, and Latin America, world communism is today bidding boldly and at an accelerated tempo for new areas of control. Everywhere the free world is on the defensive.

This record of failure and disaster is too persistent to have been the product of the laws of chance. We have lost and lost and lost because we have persistently failed to understand. I would go further and say that we have lost because we have refused to face up to the facts—and facts are the beginning of all understanding.

But we must understand, because time is running out for the free world. Another 15 years like the past 15 years and there may be no more free world to defend.

We have been losing the cold war partly because we have failed to understand its total character, partly because we have been amateurs fighting against professionals. The Soviets have been winning the cold war, first, because they have, from the beginning, accepted it as a total war, to be waged with all their resources and on every plane, and second, because they have, through their specialized training institutions, developed scores of thousands of practitioners in the art of total political warfare.

There is nothing in our previous history and nothing in our experience as freemen which might have prepared us to contend with the phenomenon of total war—a war waged by a thousand different means, a war in which the enemy conducts an integrated offensive on every plane of human activity—the economic, the political, the diplomatic, the psychological, the social, the cultural—a war conducted by stealth and subversion and Pavlovian techniques.

With the political warfare weapon, the Communist enemy has moved over and around the military defenses of the free world to secure beachheads deep in our rear areas.

This enemy has a coordinated long-range strategy for victory, in which he uses all methods and means against us.

Never has the situation been as perilous as it is today.

The West has lost its nuclear monopoly, and its ability to deter Soviet aggression has, in consequence, been seriously impaired. The Communists have become more aggressive, more arrogant, more contemptuous than ever. The symbol of this new attitude is Prime Minister Khrushchev pounding his shoe on the table at the United Nations. And this arrogance has been accompanied by a shift in tactics which makes the Communists, in my opinion, infinitely more dangerous than they have been heretofore.

Going back to Lenin's earliest directives, the Communists have always planned their activities so that one portion of them has been above ground, another portion under ground. But in recent years, the Kremlin has been placing an increasing emphasis on subterfuge and subterranean operations.

In the old days, Communist movements, while they conducted part of their operations underground, nevertheless used to identify themselves as Communist movements. The Chinese Communists never pretended that they were anything else but Communists—even though a lot of wishful thinkers in the Western World insisted that they were really agrarian reformers. Under the deposed Arbenz regime in Guatemala, and under the Castro regime in Cuba, the international Communist movement succeeded in coming to power in countries that

were strongly Catholic and basically anti-Communist. They did this by exploiting certain legitimate grievances and by encouraging the people to believe—yes, and encouraging the American State Department to believe—that they were not really Communists.

In the old days, the Communists would conduct most of their front operations in a manner that made them clearly discernible and identifiable. There was the League Against War and Fascism, there was the World Peace Congress, there was the Stockholm peace petition, and there were many other operations like these where Communist initiative and Communist control were apparent to all but the willfully blind. Today, instead of creating front organizations of their own, the Communists are operating increasingly through infiltration in organizations established under non-Communist auspices.

The Communists must be combated on two levels therefore: above ground and under ground—but increasingly the battle has become one against their subterranean forces.

The free world has had a limited success in fighting the Communists in the open—fighting them, that is when they are clearly identified as Communists. In my own country, the Communists have been forced out of control of a number of important trade unions. In France and Italy, operating against very great odds, the anti-Communist trade union organizations have made some modest headway. But even in the open phase of the struggle, we have not really done very well.

In the United States, key unions like the Harry Bridges' Longshoremen's Union, the United Electrical Workers Union, and the American Communications Union are still under Communist domination—despite all the efforts of independent trade unionists and of government.

In France and Italy, the Communist-dominated CGT and UGT still embrace by far the majority of the organized workers. Nor has any serious dent been made in these countries in the vast apparatus of Communist-dominated cultural, social, fraternal, and benefit organizations which play so important a role in the Kremlin's manipulation of Western public opinion.

In England, known Communists either control or exercise a large measure of control over the powerful Mine Workers Union, the General Transport Workers Union, the Electrical Workers Union. The dangerous degree to which the Communists had succeeded in infiltrating and taking control of British trade unions was dramatically revealed at the recent Labor Party conference where the Communists and pro-Communists pushed through a motion calling for unilateral disarmament.

In Japan, the Communists are also the single strongest force in the trade union movement. Through the Teachers Union, which they dominate completely, the Communists are teaching young Japanese children that the U.S.S.R. is their real homeland, and that the United States is an aggressive imperialistic power.

This subterranean attack on the free world, as it is being executed today, displays five major prongs.

There is the infiltration in the organs of government, through which the Kremlin obtains much of its intelligence and through which it frequently succeeds in inducing the governments of the free world to do precisely what the Communists would like them to do.

There is the infiltration in press and radio and television and entertainment, which the Communists use to confuse western public opinion, to exercise pressure on government policy, and to turn one Western country against another.

There is the infiltration in organizations established under non-Communist auspices—which the Communists then used as pressure groups in support of a nuclear test ban or some other Soviet foreign policy objective.

There is the street mob, organized around fraudulent nationalist and non-Communist slogans, which is becoming an increasingly important instrument of Soviet policy. The terrible power of this weapon was driven home to the whole world, Soviet and non-Soviet, when a Communist-organized mob prevented the President of the United States from visiting a friendly foreign country.

Finally there is the new type of crypto-Communist movement best typified by Castro—a movement which operates behind an innocent facade of nationalist and reform slogans. If such a movement could come to power 90 miles from the shores of America, in a country as unlikely for a Communist takeover as Cuba, then its possibilities are almost unlimited.

One cannot cover everything in one speech. My chief remarks tonight will be directed to the twin question of Communist manipulation of public opinion and Communist influence on government policy.

Communist propaganda, when it is clearly identified as Communist propaganda, the free world can cope with. The trouble is that 99 percent of the articles and publications and radio and TV programs that serve the Communist cause cannot be clearly identified as Communist propaganda.

In certain cases some doubts can be raised by proof that some of the principals involved have long records of affiliation with Communist-front organizations. But far more often than not those who are used to transmit the Communist propaganda line are not Communists or pro-Communists, but simply innocents.

The innocents include sentimentalists; wrongheaded, softheaded and muddleheaded intellectuals; and the so-called angry young men—the neurotic rebels against parental and governmental authority who always exaggerate tenfold the faults of their own country. But the innocents also include many decent, intelligent people—fundamentalist humanitarians whose very humanitarianism makes it impossible for them to conceive of a regime that is utterly without morality or totally evil.

There are no innocents under communism—this peculiar invertebrate phenomenon exists only under democracy. And it is exceedingly difficult to cope with the innocents in freedom-loving societies. They cannot be prosecuted because they do not violate the law. They cannot be accused of conniving with the Communists because, except in rare cases, they do not consciously connive. And there is no way of muting them without violating the basic principles of our free society.

The innocents, in fact, are just about untouchable. If you criticize a Communist, the brickbats will come mostly from the fellow-traveling clique and fellow-traveling press. This one can ignore. If you criticize a fellow traveler, all the innocents will join the assault upon you. This can be serious. And if you dare to criticize an innocent for giving aid and comfort to the Communists, almost the entire press, from left to right, will charge that justice and decency have been affronted. This can permanently mar a man's public reputation.

Let me give you an illustration of how the Communist propaganda operation is sometimes unwittingly assisted by publishing houses that are certainly not Communist, but which are influenced by authors,

editors, or personal contacts who harbor sympathies for the Soviet Union in toto, or else for some aspect of Communist policy or for communism in a specific geographic area.

As I left America, two books on Cuba were about to come off the press. One is a book by a former Communist, Nathaniel Weyl, an expert for several decades on Latin American affairs. It is a solid, carefully documented yet dramatic work that tells the story of Castro's rise to power and of the manner in which he was abetted by naive American sentimentalists, deluded liberals, and open philo-Communists. The other book, entitled "Listen, Yankee," was written by C. Wright Mills, a Columbia University sociologist with no particular expertise on Latin America, a charter member of the Fair Play for Cuba Committee. "Listen, Yankee," as you probably guessed from the title, is a scurrilously anti-American and pro-Castro diatribe. But it was printed by the highly reputable, even conservative, publishing house of McGraw-Hill, and the chances are that it will enjoy a circulation many times greater than the anti-Castro book.

"Listen, Yankee" was printed simultaneously in hard-cover and paperback edition. I am told that the initial printing will exceed 150,000. The advance advertising was on a scale generally reserved for works of the first magnitude—works like Churchill's memoirs. The December issue of Harper's magazine contains a lengthy reprint from "Listen, Yankee" as its No. 1 item; and Harper's has advertised its December issue in the New York Times and other papers with full-page reproductions of the cover of "Listen, Yankee."

And so, despite the fact that the Castro regime has now been openly exposed as Communist, despite the fact that it has been denounced by the American Government and that the governments of all the other American states have turned against it, despite the open embraces between Khrushchev and Castro, despite the berserk anti-American propaganda conducted by Castro, despite all these things it is still possible in America to get a pro-Castro book printed by a highly reputable publishing house, advertised and distributed on the scale of a top bestseller, and favorably reviewed in some of the great pillars of the American press.

There is nothing new about this situation, of course. When the Chinese Communists were bidding for power, the only books on China that became bestsellers were the ones that portrayed the Reds as agrarian reformers. And when Castro was bidding for power, there was no dearth of reputable commentators and reputable newspapers to assure us that he was not a Communist, but an idealist.

Among the most prominent expounders of the myth that Castro was really a reformer was Herbert L. Matthews, former New York Times correspondent in Cuba. Castro, said Mr. Matthews in the early days, believes in—I quote—"liberty, democracy, social justice, the constitution, and free elections." He likened him to Abraham Lincoln. Many months after Castro came to power, Matthews said, and again I quote: "This is not a Communist revolution in any sense of the word, and there are no Communists in any positions of control." Mr. Earl Smith, former U.S. Ambassador to Cuba, told the Senate Subcommittee on Internal Security that Mr. Matthews' articles in the New York Times "served to inflate Castro to world power and world recognition."

There are some who will say that all this is accidental. For my own part, I do not think it is an accident. There is pattern here, there is organization, and there is purpose—and despite all the innocence that certainly prevails in the foreground, in the background, if you delved deeply enough, I am certain that you would find the real organizers.

How does one cope with such a situation? I confess I do not know. This is one of the problems to which we must find an answer.

It is almost as difficult, but for other reasons, to deal with the problem of Communist infiltration in government. There are many people in my own country and, I am afraid, even more people in other countries, who will raise the cry of "McCarthyism" at the mention of Communist infiltration in government. Let us review a few pertinent facts.

Alger Hiss, one of the top officers of the State Department and the secretary of the founding conference of the United Nations, was identified as a Communist agent and was convicted of perjury for denying that he turned over state secrets to Whittaker Chambers, a self-confessed Soviet agent.

Harry Dexter White, who, as the energetic assistant to Secretary of the Treasury Morgenthau, in effect ran the American Treasury, has also been proved, beyond any reasonable doubt, to have been a Communist agent.

Frank Coe, onetime assistant to White, was compelled to resign as head of the International Monetary Fund when he took the fifth amendment in reply to the question: "Are you a Communist agent?" Mr. Coe is now in Communist China.

Think of the implications of this: Communist agents have at different times directed the American Treasury, the International Monetary Fund, and one of the key offices in the U.S. State Department.

It would be foolish to believe that all the Communist infiltrates have been removed from the U.S. Government, that the problem of infiltration no longer exists. On the contrary, there is reason to believe that in our country and in every other country of the free world, the international Communist movement has greatly stepped up its infiltration of government offices. The Communists, moreover, do not infiltrate in a haphazard way. Their infiltration is planned and directed. Intelligence is the lesser part of their purpose; their major purpose is to mess up, to misdirect, Western foreign policy. If China happens to be the area of interest at a given moment, they will try to achieve positions of influence in government that enable them to influence its policy vis-a-vis China. If plans are made for a Castro-Communist takeover in Cuba, then it can be taken for granted that simultaneously the Communists will endeavor to direct intellectual adherents with backgrounds in Latin American affairs into various desk positions where they can exercise their talents.

All this can be taken as axiomatic. But the free world is asleep to this danger.

I have the greatest admiration for British law and the fairness and respect for law that pervades British society. Let me however draw the attention of my British friends to a few disturbing facts. Bruno Pontecorvo and Burgess and Maclean were able to defect safely to the Soviet Union. Alan Nunn May was apprehended and sentenced—but on the basis of information provided by Igor Gouzenko in Canada, Klaus Fuchs was also imprisoned—but here the FBI provided the lead. On their own, the British security forces have not apprehended a single major Communist agent. What reason can there be for this? I can think of no other reason than a general lack of awareness, at both public and governmental level, of the extent of the danger.

I do not say this in reproach. I believe that my own country is somewhat more alert. But even in my own country only a small part of the job has been done.

The question is sometimes asked: What difference can one Communist or several Communists in government make? I shall answer this with a few examples.

During World War II, for reasons which have never been properly explained, the



British Government abandoned the nationalist forces of General Mihailovich in Yugoslavia and threw its support behind the Communist army of Marshal Tito. Not a single one of the British or American officers attached to Mihailovich recommended that he be abandoned; on the contrary they all strongly recommended that we support him. How did it come about that the West abandoned Mihailovich and, in effect, installed communism in Yugoslavia?

It has recently become a matter of public record that one of the officers in charge of the Yugoslav and Near Eastern desks in British intelligence was a British Communist, who later became an important public functionary of the British Communist Party. Perhaps this explains the British switch to Tito.

In 1943, the U.S. Government decided to make \$200 million in gold available to the Chinese Nationalist Government to be paid upon demand. The gold was urgently needed by Chiang to maintain the value of the Chinese currency, to pay his troops, and for other pressing obligations. But despite repeated requests from Chiang, 2 years later, in 1945, only \$27 million had been paid over. Why?

The Senate Subcommittee on Internal Security has been engaged in the examination of the voluminous diaries left by former Secretary of the Treasury Morgenthau. In these diaries, there is recorded a frank exchange between Harry Dexter White and Frank Coe, both now identified as Communist agents. In this exchange which took place on May 10, 1945, they make it clear that they have sabotaged the transfer of gold to the Chiang government with every artifice and excuse at their disposal.

In the privacy of his own office White admitted that the United States had absolutely no legal grounds for delaying shipments. He said—I quote: "We have been successful for over 2 years in keeping them down to 27 million."

Deploying their various infiltrations and their psychological warfare weapons with great skill, the Communists have frequently been able to manipulate Western public opinion and Western policy in the manner of Pavlov conditioning his dogs.

There has been a whole series of critical situations in which the Communists have succeeded in persuading the majority of the people in the non-Communist world to believe what the Kremlin wished them to believe, and in persuading Western governments to do what it wished them to do.

The Communists achieved one of their first major successes in the realm of psychological conditioning at the time of the 1944 Communist insurrection in Greece. If you look back through the American newspapers of that time, you will find that a great majority of our editors, our public officials and public opinion molders in general, attacked Prime Minister Churchill for his courageous decision to put down the Communist insurrection. They did so because, in one way or another, they were led to believe that Churchill was intervening against the heroic Greek resistance fighters, and not against a Communist insurrection which had already gone to the point of mass executions of anti-Communist citizens. Today, of course, everyone agrees that Prime Minister Churchill did the right thing. In fact, he did the only thing. But very few people stopped to consider how it was that the Communists were able completely to befuddle our mental processes and destroy our sense of balance.

They achieved a success of even greater magnitude when they succeeded in persuading so many people in the free world that the Chinese Communists were not really Communists but simple agrarian reformers.

We should have learned from China—but we did not. Ten years after the Communists seized power in China, we fell for precisely

the same shell game in Cuba: Castro was not a Communist but a simple reformer. So said Herbert Mathews in the New York Times, and so said many people in our own State Department.

As the recent and perhaps most striking example of the psychological manipulation of public opinion and Government policy we have the West's calamitous retreats in the negotiations for a nuclear test ban—retreats clearly induced by the international hysteria which the Kremlin has so cleverly fostered and exploited.

First, we said that the question of nuclear weapons and nuclear testing could not be separated from that of general disarmament, because of the enormous Soviet advantage in conventional arms. We said, too, that there could be no disarmament without inspection.

Then, under the public clamor for a test ban, we agreed to a voluntary moratorium and to negotiations for a test ban in isolation from the problem of general disarmament.

We originally said that the moratorium would be a temporary 18-month arrangement, and that our decision at the end of that time would be dependent on the progress of the Geneva negotiations for a test ban. Having failed to make any serious dent in the Soviet opposition to adequate inspection, we have now extended the moratorium for another year.

Worse than this, in the Camp David announcement of last March 29 President Eisenhower and Prime Minister Macmillan accepted the principle of a voluntary moratorium on undetectable tests—that is on tests below the size of a Hiroshima-type bomb—if the Soviets are willing to accept inspection of tests of detectable magnitude. This, I submit, makes a mockery of the principle of inspection, on which the free world had previously based its entire approach to disarmament.

And while these concessions were being made by the West, the cries and lamentations echoed through the press and the meeting halls and the government corridors of our country, openly or implicitly urging still further concessions to the Soviet viewpoint in an effort to achieve a test ban agreement.

Most of those in the ranks of the test ban movements are unquestionably decent innocent people, who are properly horrified at the thought of nuclear war, and of the mutations that might conceivably—although no one is really certain—result from continued atmospheric testing.

It is a measure of Communist adroitness in psychological warfare that they are still able to use the specter of fallout from nuclear testing to stimulate the test ban hysteria—although it is clearly apparent to every sensible person that the nuclear powers, if they resume testing, will not and, indeed, need not, conduct any tests that contaminate the atmosphere. The tests will be underground or above atmospheric altitude.

How do we extricate ourselves from our defensive posture? How do we cope with Communist infiltration in government and the press, with the Communist manipulation of pressure groups, with Communist psychological warfare, with the fraudulent nationalist movements masterminded by communism in Asia, Africa, and Latin America?

Let me close my presentation with one concrete proposal. I have said we have been losing the cold war because we have been amateurs fighting against professionals. So long as this situation persists, we shall continue to lose the cold war. To help overcome this handicap, a group of U.S. Congressmen—and I am proud to be a member of this group—have proposed the creation of a Freedom Academy.

The function of the Freedom Academy would be, first, to develop systematic knowledge of all aspects of the Communist conspiracy; second, to develop a science of counteraction against Communist subversion that will see us through the perilous period ahead and ultimately pave the way for victory; and third, it would train Americans and nationals of other free countries in the science of total political warfare, as it must be waged by freemen.

With every day's news it becomes clearer that the old methods of defense against communism are not enough. The free world, and in particular, the great Western Powers, must master the new dimensions of conflict the Soviets are employing against them and they must go over to the offensive, using all of their strength and wisdom. We must have a total mobilization of our minds and wills and spirits. If we fail, let us have no illusions about the penalty—for ourselves and for our children.

The universal triumph of freedom, on the other hand, would open the way to the utmost heights for mankind as a whole.

### Excerpts From Address by Hon. Alexander Wiley, of Wisconsin, on Significant Aspects of Our Economic Problems

#### EXTENSION OF REMARKS

OF

#### HON. ALEXANDER WILEY

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Wednesday, January 11, 1961

Mr. WILEY. Mr. President, a major task of the new Congress will be to consider and speedily adopt essential programs for bolstering the economy. This is particularly crucial in areas of unemployment or of substantial lag in business activity, resulting in economic slow-downs and loss of jobs.

However, this is not strictly a job for Uncle Sam. Rather, appropriate efforts must also be made by States and local communities. The task is to find the right formula for sharing the responsibility for stimulating the economy.

In tackling this problem, we also need to maintain a proper perspective. It is true that we have about 4 million unemployed. Naturally, we seek full job opportunities for all our people. Nevertheless, it is important that we not just look at the negative side of the picture. Consequently, we need to remember that while unemployment is deplorable and should be rectified as quickly as possible, our Nation also has almost 68 million employed, the highest number in our history.

Recently, I was privileged to comment on significant aspects of our economic problems, in an address over radio stations in Wisconsin. I ask unanimous consent to have excerpts from the address printed in the CONGRESSIONAL RECORD.

There being no objection, the excerpts from the address were ordered to be printed in the RECORD, as follows:

EXCERPTS FROM ADDRESS BY HON. ALEXANDER WILEY, OF WISCONSIN

With a new administration soon taking over the reins of government there is a great

deal of speculation on the upcoming proposals for policies and programs for stimulating the economy, as well as other aspects of our national life.

Naturally, we want to move ahead in all fields affecting the welfare and security of our people and country. However, it's also important that we keep our heads; that we adhere to sound economic principles and not recklessly adopt programs that would further devalue the dollar and thus undermine the economy; that we do not unwittingly expand an already gargantuan Federal Government into areas where States and local communities can better serve the people; and, most important, that we remain strong economically, militarily, and spiritually to prevent the outspreading of communism and a third world war. This is still the No. 1 challenge.

#### NEEDED: MORE EFFECTIVE TRADE POLICY

The survival of freedom, in competition with communism—and the fulfillment of the economic needs of our people—requires an effective, well-coordinated economic policy for the future.

The tide of the East-West battle will rage on many fronts.

With an almost universal recognition—except for Red China—that nuclear war would mean global suicide, the coming years, I believe, will witness greater emphasis on economic contests between the Communists and free nations of the world.

The design of a more effective policy is absolutely necessary if we are to win that battle.

Today our country is faced with serious challenges to its economy: Globally, the Communists can be expected to compete—in cutthroat fashion—for more and more world markets; serious problems exist among Western Allies to resolve; the outflow of U.S. dollars is threatening our gold reserves; our agriculture-industrial production plants are looking increasingly to foreign markets for consumers; our domestic economy—in many areas—is being hard hit by the inflow of foreign-made goods; the economic slowdown—resulting in reduction of jobs—must be dealt with speedily and effectively.

Recognizing the significance of these, and related problems, the Nation, I believe, needs to develop a more effective trade policy for the future.

What does this mean?

First, we need a comprehensive study—and correlation of information—on the following: A global survey for potential markets for U.S.-produced products; analysis of world needs for new, or different, products that can be produced by our farms and factories—in Wisconsin and across the Nation; renewed efforts to resolve the economic problems that now prevent the flow of goods—many of which are in surplus—to potential consumers elsewhere in the world; the impact of the growing competition from the Communist bloc; survey of fundamental shipping problems, including trade routes; subsidization of shipping; development of adequate port and harbor cargo handling facilities; further tearing down tariff quotas

and other barriers to U.S. products in international competition, and others.

Today, the American economy possesses the greatest agricultural-industrial production plant in the history of the world. Except for a few other highly industrialized nations, the rest of the world offers a tremendous market for our productive capacity. Because of the tragically low incomes and standards of living, however—as well as competition from other industrial nations—it has not been possible to utilize our potential to its fullest extent in supplying these markets.

If, however, proper steps are taken, I am confident that the resources, know-how, ingenuity, and great production capacity of the U.S. free enterprise system cannot only hold its own in international competition for the newly developing markets, but greatly strengthen our domestic economy through larger participation in world trade.

To help accomplish this objective, I recently proposed the establishment of a National Economic Council. The purpose would be to provide top-level planning of economic policies and programs. This would include better coordination of the departments and agencies of the Government relating to national economic development and the role of America in world economy.

In addition, the Council would evaluate conditions and long-range trends in the domestic and world economies, and make recommendations for national policy as well as provide guidance for planning within our free enterprise system.

## HOUSE OF REPRESENTATIVES

THURSDAY, JANUARY 12, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

*Genesis 28: 16: Surely the Lord is in this place; and I knew it not.*

O Thou who art present everywhere, we rejoice that within the sanctuary of Thy love, there is a refuge and haven for all burdened hearts and baffled minds.

Grant that in the midst of life's crises and catastrophes we may hear Thy voice of gentle stillness and know that Thou art near.

Help us to begin each day with a valorous and virile faith which can never be eclipsed by moods of doubt and despair.

May we be lifted out of all gloomy and hopeless tempers of mind as we strive to build the temple of peace.

Touch us with the contagion of the confident and truthful spirit of our blessed Lord in whose name we offer our prayer. Amen.

#### THE JOURNAL

The Journal of the proceedings of Monday, January 9, 1961, was read and approved.

#### MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Ratchford, one of his secretaries.

#### STATE OF THE UNION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 1)

The SPEAKER laid before the House the following message from the President of the United States, which was read:

*To the Congress of the United States:*

Once again it is my constitutional duty to assess the state of the Union.

On each such previous occasion during these past 8 years I have outlined a forward course designed to achieve our mutual objective—a better America in a world of peace. This time my function is different.

The American people, in free election, have selected new leadership which soon will be entrusted with the management of our Government. A new President shortly will lay before you his proposals to shape the future of our great land. To him, every citizen, whatever his political beliefs, prayerfully extends best wishes for good health and for wisdom and success in coping with the problems that confront our Nation.

For my part, I should like, first, to express to you of the Congress, my appreciation of your devotion to the common good and your friendship over these difficult years. I will carry with me pleasant memories of this association in endeavors profoundly significant to all our people.

We have been through a lengthy period in which the control over the executive and legislative branches of Government has been divided between our two great political parties. Differences, of course, we have had, particularly in domestic affairs. But in a united determi-

nation to keep this Nation strong and free and to utilize our vast resources for the advancement of all mankind, we have carried America to unprecedented heights.

For this cooperative achievement I thank the American people and those in the Congress of both parties who have supported programs in the interest of our country.

I should also like to give special thanks for the devoted service of my associates in the executive branch and the hundreds of thousands of career employees who have implemented our diverse Government programs.

My second purpose is to review briefly the record of these past 8 years in the hope that, out of the sum of these experiences, lessons will emerge that are useful to our Nation. Supporting this review are detailed reports from the several agencies and departments, all of which are now or will shortly be available to the Congress.

Throughout the world the years since 1953 have been a period of profound change. The human problems in the world grow more acute hour by hour; yet new gains in science and technology continually extend the promise of a better life. People yearn to be free, to govern themselves; yet a third of the people of the world have no freedom, do not govern themselves. The world recognizes the catastrophic nature of nuclear war; yet it sees the wondrous potential of nuclear peace.

During the period, the United States has forged ahead under a constructive foreign policy. The continuing goal is peace, liberty, and well-being—for oth-